DFR | Division of Financial Regulation
Department of Consumer and Business Services
350 Winter St. NE, Rm 410, P.O. Box 14480, Salem, OR 97309 503-378-4140 dfr.oregon.gov

# The Oregon Senior Safe Act

## Mandatory reporting requirements for securities professionals

The Oregon Senior Safe Act (Senate Bill 95), codified as Oregon Revised Statute (ORS) 59.480 to 59.505, requires certain securities professionals to report suspected financial exploitation of vulnerable adults to the Oregon Division of Financial Regulation (DFR).

## To submit a report:

Scan the QR code, select this suspected financial exploitation form link, or go to dcbspage.org/reportexploitation.

**Report here**

## Who must report? (ORS 59.480-485)

Mandatory reporters ("qualified individuals") include:

- Salespersons (registered representatives)
- Investment adviser representatives
- Supervisory, compliance, or legal personnel for a broker-dealer or state investment adviser
- Other employees identified in the firm's written supervisory procedures

## When is a report required? (ORS 59.485)

A report must be made as soon as practicable when a qualified individual has reasonable cause to believe that financial exploitation of a vulnerable person has occurred, is occurring, or has been attempted. *Reasonable suspicion – not proof – is the reporting standard*.

## What is financial exploitation? (ORS 59.480)

Examples include:

- Wrongfully taking or using another person's money, assets, or property.
- Misappropriating, misusing, or transferring funds without authorization.
- Using another person's income or assets without their consent for purposes other than their care or support.
- Threatening or coercing someone to obtain their property or money.
- Scams and fraud.

Financial exploitation does not include lawful transfers made to qualify someone for Medicaid or another government assistance program.

## Who is considered a vulnerable person? (ORS 124.100)

A vulnerable person includes:

- Someone age 65 or older.
- A "financially incapable person," which is someone who cannot manage financial resources because of a mental, developmental, intellectual or physical condition, illness, or chronic substance use. (ORS 125.005)
- An "incapacitated person," which is someone who cannot effectively make or communicate decisions about their health or safety. (ORS 125.005)
- Or, a person with a disability who is particularly susceptible to force, threats, undue influence, coercion, or physical or emotional injury because of their impairment.

## Additional protections under the Oregon Senior Safe Act

The law also allows investment professionals who submit reports to:

- Notify a trusted contact or other authorized third party when permitted by law or the customer agreement. (ORS 59.490)
- Delay a disbursement if financial exploitation is reasonably suspected. (ORS 59.495)
- Be protected from liability when – in good faith and with reasonable cause – they report suspected financial exploitation, disclose information to a permitted third party, or do not notify the vulnerable person when making a report. (ORS 59.500)

## Watch for common red flags

Consider whether you observe:

- Sudden, unusual, or unexplained withdrawals or account activity.
- A new person attempting to control the client's finances.
- Changes to beneficiaries, ownership, or powers of attorney that are inconsistent with the client's history.
- Signs of confusion, fear, intimidation, or undue influence.
- Difficulty speaking privately with the client.

## Key takeaway

If you have reasonable cause to suspect financial exploitation of a vulnerable client, report it as soon as is practicable. You do not need proof – reasonable suspicion is sufficient.

**Questions?** Contact us at ElderFinancialAbuseComplaints.DFR@dcbs.oregon.gov.